



# **Hospital Authority of St. Marys**

## **Policy and Procedure Manual**

Revised January, 2020

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# Hospital Authority of St. Marys Policy and Procedure Manual

## PREFACE

This document has been developed to define the day to day operations of the Hospital Authority of St. Marys. It contains procedures that are followed by the Directors and is intended to provide additional details that are not spelled out in the Bylaws of the Authority. Hospital Authority Directors should review the Bylaws to ensure they have a clear understanding of and follow the requirements addressed in that document.

## GOVERNING POLICIES AND PROCEDURES

### DOCUMENTS

The legal authority for the Authority is set forth in Official Code of Georgia Annotated Title 31, Chapter 7, Article 4. The Superior Court of Camden County consent order dated August 22, 2013 defines the current purpose of the Authority. These documents supersede information contained in the Bylaws if there is a conflict between the documents.

The Hospital Authority of St. Marys Bylaws designate the rules of operation. These are the basic rules established by the initial board as they are founding the organization as well as amendments to the bylaws through the years. Although there are provisions for amending the bylaws it is not the intention to amend them on a regular basis. Policies and Procedures should be reviewed annually and adjusted as needed to provide greater flexibility. If there are conflicts between the bylaws and the policies and procedures, the bylaws supersede. If there are conflicts with the bylaws, the state statutes supersede.

### BOARD ORIENTATION

Proper orientation of Board Members is important to the effectiveness of the board and is a time when new members are provided information about duties and responsibilities of the organization so they may serve the organization effectively and efficiently.

Following appointment by the St. Marys City Council, the Authority Chair or designee will provide electronic information such as the Bylaws, Policies and Procedures, and a current financial report. New members should be notified of upcoming scheduled meetings. At the first meeting, an opportunity should be given new Director(s) to ask questions and seek clarification on roles and responsibilities or policies and procedures. Open meeting

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requirements will be reviewed and new appointees will attend the next available training session conducted by the St. Marys City Clerk unless the new member training has already been completed.

## BOARD MEETINGS

Board meetings will be scheduled, announced and conducted in accordance with the bylaws. Regular meetings are currently scheduled **every other month (even months)** on the second Thursday of the month at 6:00 pm in City Council Chambers. Regularly scheduled meeting dates and locations can be changed by majority vote at a regular or special called meeting. The City Clerk will be notified of all changes in dates, times or location and it is essential to confirm the availability of the location prior to voting on a location change. **(Revised 1/20)**

## CONFLICT OF INTEREST

Conflict of interest is a situation in which a board member or his/her immediate family member, who is in a position of trust has a competing professional or personal interest. Such competing interests can make it difficult to fulfill his/her duties impartially. A conflict of interest exists even if no unethical or improper act results. All board members are expected to use good judgment to adhere to high ethical standards and to act in such a manner as to avoid any actual, potential or perceived conflict of interest.

A conflict of interest occurs when the personal, professional or business interests of a board member conflict, or might be perceived to conflict with the interests of the organization. Board members should recuse themselves from any discussion or vote in which a conflict exists. Board members should not bid on any services in which the Hospital Authority would be the payer of such services.

In accordance with State Law, each member shall disclose annually any potential conflicts of interest.

For more information see the following Georgia Codes:

§ 31-7-74. Members; organization; compensation; rules and regulations; conflict of interest policy <https://codes.findlaw.com/ga/title-31-health/ga-code-sect-31-7-74.html>

§ 31-7-74.1. Disclosure of conflicts of interest; prohibited transactions  
<https://codes.findlaw.com/ga/title-31-health/ga-code-sect-31-7-74-1.html>

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## RECORD RETENTION AND DESTRUCTION

In accordance with Auditor recommendations, the Hospital Authority of St. Marys must have a policy on record retention. Documents will be obtained as follows:

1. Records to be kept for one year
  - Bank reconciliations
2. Records to be kept for seven years
  - Cancelled checks
  - Invoices for payments to vendors
  - Reimbursements to board members
3. Records to be kept permanently
  - Audit reports of accountants
  - Checks filed with accompanying transactions for Deeds, mortgages and bills of sale
  - End of year financial statements
  - General ledgers
  - Property records including costs, depreciation, reserves, end of year trial balances, depreciation schedules, blueprints and plans.

## ST. MARYS CITY COUNCIL REQUIREMENTS FOR BOARDS AND AUTHORITIES

All St. Marys Boards, Authorities and Committees are established by and report to the St. Marys City Council. Authorities are independent entities but are encouraged to comply with City Policies.

See the attached Addendum A: Boards, Authorities, Commissions and Standing Committees Appointment and General Policies dated July, 2016.

## FINANCIAL POLICIES AND PROCEDURES

The purpose of detailed financial policies is to ensure the safe guarding of assets, the prudent management of those assets and to make certain that financial statements are prepared in conformity with GAAP (Generally Accepted Accounting Principles).

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## MANAGEMENT OF FUNDS

Ensuring proper use of funds and management of investments is the responsibility of all Directors. No changes in Investment Managers or Banks can be made unless approved by the majority of Authority members. The Treasurer has responsibility for the day to day handling of the finances as well as responsibility for reconciling monthly reports when received in conjunction with the retained accounting firm.

The entire Board carries fiduciary responsibility for the organization, making sure appropriate internal control procedures for all financial transactions are documented and followed. The Board should also monitor processes to ensure all legal and governmental filing deadlines are met.

## INVESTMENT COMMITTEE

The Investment Committee composed of three members of the Authority, one of which will be the Treasurer, shall have oversight over investment management by reviewing all quarterly reports and conferring with the investment banker regularly. The Committee is expected to:

1. Draft an investment policy detailing the short and long term objectives of the investment portfolio, guidelines on the asset allocation of the portfolio based on a predetermined level of risk tolerance, and a method to determine the monies available annually for expenditures. The investment policy recommended will require approval by the Authority Board.
2. Ensure provisions of the policy are followed.
3. Review the policy at least annually and make recommendations for updates if necessary.
4. Evaluate the investment managers/advisors.

## ANNUAL BUDGET

The annual budget provides direction for the Authority to meet organizational goals and objectives. Budget preparation should allow appropriate time for Directors to review and comment. The proposed budget should be presented at the last meeting of the Board's fiscal year to allow time for discussion and approval prior to the beginning of the new fiscal year.

Preparing a draft budget is the responsibility of the Treasurer with assistant from the Investment Committee.

## ANNUAL AUTHORIZATION OF SIGNERS

The authorized signers for the Authority will be approved on an annual basis at the annual meeting. Normally the Chair and Treasurer will have check signing authority. One additional Director may also be given authority to sign when two signatures are needed. The

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authorization is provided each financial institution that holds funds for the organization when changes occur.

All expenditures must be approved through the budget process or approved by the majority of Directors present at an Authority meeting when non-budgeted items occur. Checks for approved budget items under \$5000 will require one signature only. All non-budgeted items and those over \$5000 will require two signatures. The individual(s) signing the check will ensure all the proper documentation is obtained and maintained in the records before the disbursement of funds is approved.

## CASH TRANSACTIONS

Payment by the Authority in cash is not allowed. No checks may be written to cash.

## AUTHORITY FUNDING

The source of funding for the Annual Budget is the income from investments held by the Authority resulting from the sale of the nursing home. Funds are withdrawn to support the annual expenditures and operating costs. Arrangements are made with the investment company to transfer funds from investment accounts to a bank operating account for approved disbursements. The investment company must be informed of anticipated withdrawals in advance so that cash is on hand for the transaction.

## PROCUREMENT

Procurement is defined as the process of purchasing supplies or services needed or required by the Authority. The following types of procurements are anticipated:

Repairs, maintenance, and improvements to the Hospital Authority owned building and properties.

Professional services that are delivered directly to the Senior Center participants. These services may be either directly funded by the Authority or reimbursed to the City for their contracted services.

Professional and other services, office supplies, and equipment that are used for the operation of the Authority.

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## BUDGETED PURCHASES

As a granting organization, general category items are approved by the Authority in the annual budget. Once grants or reimbursements are authorized by the Board in minutes, the designated officials can proceed without further authorization. Purchasing authorities for **budgeted** items are as follows:

- Treasurer: Up to \$5000
- Chair and Treasurer: \$5000 and over

## NON-BUDGETED PURCHASES

The Chair or designee can approve non-budgeted items up to \$500. The expenditure and the rationale for the expenditure will be reported to the Authority members at the next scheduled meeting.

All non-budgeted items and/or services \$500 or over must be approved by the majority of members at the next scheduled meeting and include pricing and the rationale for the expenditure

## ITEMS THAT COME IN OVER BUDGET

In the event a budgeted item comes in over the amount budgeted, the Chair is allowed to approve up to 10% over the budgeted amount. Amounts over 10% must be approved by the majority of Authority members at the next scheduled meeting.

## TYPES OF PURCHASES AND REQUIREMENTS

In instances where multiple bids are required the Hospital Authority may request assistance from St. Marys city departments or other appropriate organizations.

1) Professional and other services, office supplies, and equipment that are used for the operation of the Authority.

Office supplies for the Authority generally are purchased as needed by one of the officers and reimbursed by the Treasurer. If the Treasurer is also the purchaser, the reimbursement check should be signed by one of the other authorized signers. Items under \$500 can be purchased without obtaining quotes. Equipment or supplies costing \$500 but less than \$2000, require an alternate quote obtained by phone, internet or written. The vendor offering the best price will be used. Documentation of the quote process will be included with the receipt in order for reimbursement to occur.

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For equipment or services costing \$2000 or more, three written quotes must be obtained and unless specifically budgeted, needs to be approved by the majority of members at the next scheduled meeting. Documentation of the quote process will be included with the receipt in order for reimbursement to occur.

2) Repairs, maintenance, and improvements to the Hospital Authority owned building and properties.

Building and property repair expenses that are budgeted and the responsibility of the Authority can be approved by the Chair if under \$500. Equipment or repairs costing \$500 but less than \$2000, require one alternate quote obtained by phone, internet or written. The vendor offering the best price will be used. Documentation of the quote process will be included with the receipt in order for reimbursement to occur.

For equipment or repairs costing \$2000 or more, three written quotes must be obtained and unless specifically budgeted, needs to be approved by the majority of members at a scheduled meeting.

Repairs or projects costing \$25,000 or more, when deemed advantageous to the Authority, will be done by sealed competitive bids.

Emergency purchases that are necessary to alleviate a situation where there is a threat to health, welfare or safety or that does not allow time for the normal purchasing process will be handled with same day service. All normal purchasing activity will be discontinued in order to expedite resolution of the situation. All such purchases, expenses and receipts must be presented to the Board at the next regular meeting.

3) Professional services that are delivered directly to the Senior Center participants

In order to be reimbursed by the Authority whether directly or indirectly, professional services that provide exercises or other activities for Senior Center participants must be certified as official activities of the Senior Center by the City of St. Marys. On occasion, some programs may be offered offsite to Senior Center participants. Whether reimbursing the City or the vendor, the Funding Request Form must be completed prior to reimbursement. If reimbursing the City, the City must provide evidence that its procurement policy regarding a bidding process has been followed. If paying directly, the Authority must follow the same bidding process and quote requirements as stated in 1) and 2) of this section.

4) Supplies and food used or consumed by the participants such as lunches or arts and crafts supplies.

Reimbursement to the City for programs of this nature require the City to complete the Funding Request Form and to provide evidence that the City's procurement policy has been followed.



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## ANNUAL AUDIT

As required by State law, the Authority shall conduct and provide to the City of St. Marys annual audits by a certified public accountant or a firm of certified public accountants to conduct such audits. Such audits shall be filed with the Clerk of the City of St. Marys.

The annual independent audit shall be conducted in accordance with generally accepted audit standards and generally accepted governmental auditing standards. A properly licensed Georgia independent public accounting firm shall conduct the annual audit for the Hospital Authority.

The agreement between the independent auditor and the Authority shall be in the form of an official engagement letter. The Treasurer will ensure the audit firm has all the information needed to perform the audit.

## FINANCIAL REPORTING – INTERNAL

The Treasurer will ensure that the Accounting Firm utilized to prepare financial reports are provided with the necessary information including check stubs, bank statements and investment reports at the end of each quarter. The quarterly reports produced will be provided all Authority members electronically with each member responsible for reviewing and approving the statements.

The Treasurer will provide a budget variance report minimally each quarter and more frequently if deemed necessary.

The Treasurer will ensure that the annual IRS 1099 is completed by the accounting firm and submitted on a timely basis and will obtain annually completed W-9 forms from vendors.

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## **City of St. Marys Boards, Authorities, Commissions and Standing Committees Appointment and General Policies July, 2016**

**This document is intended to supplement, not replace, requirements of Boards, Authorities, Commission or Standing Committees addressed in City Ordinances. For details see the City of St. Marys Code of Ordinances, Section 4-103. - Boards and Commissions. (Attachment C)**

**Purpose:** The purpose of this policy is to establish a process that enhances the current notification, announcement and selection for appointments to Boards, Authorities, Commissions and Standing Committees by the City Council and to clarify general policies related to these entities.

**Goal:** The goals of this policy are:

- 1) To augment the current mechanisms to inform citizens of opportunities to serve
- 2) To create a structured process to seek appointments
- 3) To create a process to select qualified individuals with a willingness and commitment to serve
- 4) To promote diversity in the composition of the entities also known as citizen boards.

**Application and Appointment Procedure:**

1. The City Clerk, as the official keeper of records, shall be responsible for maintaining and keeping current reports as to Boards, Authorities, Commissions and Standing Committees vacancies.
2. The City Clerk shall be responsible for the notification to the Mayor and Council of its need to announce pending vacancies. Multiple venues will be used to accomplish timely notification, including the official legal organ and the City website.
3. Since many citizens utilize the city website to obtain information, the City Clerk in conjunction with the entity Chairs and/or their representative and the IT Department, will ensure that the website contains current and accurate information relative to the available positions, members currently serving, length of time in the position, and when each term is expiring. (See Attachment A for details and additional information.)
4. The city encourages all interested persons to attend one or more meetings of an entity for which they are seeking appointment prior to applying.

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5. Utilizing the most currently approved application form, an individual seeking appointment or reappointment must submit the completed form to the City Clerk. The closing date for the acceptance of applications will be established by the City Clerk. The closing date will normally be 5:00 p.m. on the Wednesday prior to the Monday City Council meeting. When an individual is seeking reappointment, the Chair or designated individual will ensure a two-year attendance report is available to Council for use during the decision making process..
6. Although there is no formal interview process, applicants may be contacted by City Council members if additional information is desired prior to making a selection. In addition, applicants are encouraged to attend the City Council meeting when the appointment decision is scheduled.
7. The City Council shall appoint an individual from the names submitted or may postpone any action or re-open the process by voting to do so. Normally the time period to advertise and accept applicants when a position is re-opened shall be 30 days.
8. Individuals selected to serve will be notified in writing by the City Clerk and are required to attend an Open Records/Open Meetings Session conducted by the City Clerk or other State of Georgia approved instructors. These sessions are conducted locally every six months during the months of April and October. If an applicant has attended a session within six (6) months of applying, this requirement is considered to have been met.
9. The entity Chair or a representative will provide each newly appointed member pertinent written documentation such as by-laws, ordinances and charters relating to the position and opportunities for required training. Each entity is encouraged to have a documented training program and training materials available.
10. Appointments are made for one term. Any reappointment of an applicant for a subsequent term is by vote of City Council. In addition, the following entities have established term limits which need to be adhered to when appointments are made: Historic Preservation Commission, Library Board, Oak Grove Cemetery Authority, and the Senior Advisory Committee.

## General Policies and Procedures

1. Most entities have an election each year to select a Chair. This selection is done through a vote of the current members. The City encourages that a Chair be in place no more than two consecutive years as the responsibilities and commitments are significant. In the unusual event if no other member is willing to take on that responsibility, it is permissible that the Chair serve additional terms.
2. Some of the entities have a City Council member as a voting or non-voting member of the entity. In instances where a City Council member is not directly involved with an entity, the City Council, following consultation with the entity, may appoint a Council member as a liaison or contact person for the entity. The liaison may or may not attend regular and special called

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meetings based on the needs of the specific entity or the information needs of the City. Unless State law requires City Council members to be voting members, Council members will not cast a vote during the entity meeting particularly if the decision could be appealed to City Council.

3. The entity Chair or representative is required to notify the City Clerk of all meetings so public notice can be given. Approved minutes voted on at the next scheduled meeting are to be supplied to the City Clerk as well as other documentation requirements addressed in City Ordinances or required based on Georgia Open Records Open Meetings laws.
4. As in the past, the annual reporting for each entity will be scheduled throughout the calendar year and occur in conjunction with a City Council meeting. The entity's annual report should be approved by the entity and submitted two weeks in advance of the Council meeting in which it is to be reviewed and accepted. At the request of either the entity or City Council, a work session can be scheduled prior to the City Council meeting if either party feels more discussion is needed. Board and Authority members are encouraged to attend the work session and Council meeting. (See Attachment B for more information.)

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## Attachment A

### Board, Authority, Commission and Committee Web Page Format

The following document provides a standard formats to be used on the St. Marys web-site pages for the various Boards, Authorities, Commissions and Standing Committees. The intent is to provide the public with information on each of the citizen boards, their functions and volunteer opportunities in a uniform manner.

#### Entity Specific Page (XYZ Board)

**Purpose:** The XYZ Board is responsible for

**Members:** The XYZ Board consists of seven (7) citizens. All seven members are appointed by City Council and serve three year terms. Members must be a resident of St. Marys and have (describe specific skills, interests and experience needed)

The current members and terms are:

Name XXXXXX chair (term)

Name XXXXXX vice-chair (term)

Name (term)

**Meetings:** The XYZ Board meets monthly on the second Tuesday of each month at 6:00 p.m. Meeting are open to the public and held in (location). It is anticipated that appointed members will attend the majority of regularly scheduled meetings and if unable to attend, will notify the chair in advance of the meeting.

#### Interested in Serving:

(Process for applying.) If you are interested in serving, it is suggested that you attend at least one meeting in order to have a better understanding of the function of the board. Appointed members of all citizen boards are required to attend Open Records Open Meetings training provided by the City Clerk. In addition, the XYZ Board members are required to complete (list any specific training required for the position.)

#### More Information:

For more information, please contact \_\_\_\_\_.

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## Attachment B

### **Board, Authority, Commission and Committee Annual Reporting Process Revised October 2015**

Earlier this year council initiated an evaluation of all the St. Marys Boards and Authorities to identify opportunities for improvement in their operational effectiveness and strengthen the relationship to the city council. One immediate opportunity identified and strongly supported by the majority of Council and board members is an enhancement to the content of the annual reports.

As we engage in the Master Plan process it is essential that the boards and authorities partner with the city to facilitate the establishment and execution of the plan.

In the future we are requesting all the Boards and Authorities include the following in their Annual Reports to the St. Marys City Council.

- 1) Provide a brief written description of the previous year's accomplishments.
- 2) Propose written goals for the next reporting period.
- 3) Provide a financial report if applicable including the funds available and anticipated income and expenditures for the next reporting period. Include as an exhibit
- 4) Describe skills, diversity and special needs which could be considered when reviewing applicants for open positions.
- 5) Provide Ideas for facilitating improved results for the next review period and identify if there is a need to clarify goals, direction, and/or coordination with other entities.

As in the past, the annual reporting for each entity will be scheduled throughout the calendar year and occur in conjunction with a City Council meeting. The annual report should be sent two weeks in advance to Council. At the request of either the entity or City Council, a work session can be scheduled prior to the City Council meeting if either party feels more discussion is needed. We encourage Board and Authority members to attend the council meeting.

Once experience is gained using the new process, the procedure for Annual Reporting and Goal Discussion may be adjusted.

Thank you for your support and please feel free to contact us with any questions.

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## Attachment C

### Per the City of St. Marys Code of Ordinances:

- Section 4-103. - Boards and commissions.

(a)

The mayor and council may by ordinance, unless otherwise provided by law, create boards and commissions which may perform the duties prescribed including, but not limited to, making studies, conducting research and investigations, holding hearings, and preparing recommendations as to needed ordinances and resolutions and for any other purposes authorized.

(b)

The mayor and council may provide by ordinance, unless otherwise provided by law, for the manner of appointment, makeup, and composition of boards and commissions, their periods of existence, and for the compensation of their members and employees, in whole or in part. The mayor and council may provide by ordinance for reimbursement of the actual and necessary expenses incurred by the members of boards and commissions in the performance of their official duties. The mayor and council shall have the authority to annually appropriate money derived from taxation, contributions, or otherwise for and to boards and commissions to provide for their operation, either in whole or in part.

(c)

Any vacancy in the office of any member of a board or commission shall be filled for the unexpired term in the manner prescribed for original appointment.

(d)

Any member of a board or commission may be removed from office for cause by a majority vote of all of the councilmembers.

(e)

Each board and commission may establish bylaws, rules, and regulations not inconsistent with this Charter, ordinances, or applicable state law as it deems appropriate and necessary for its internal organization, election of officers, and the conduct of its affairs, copies of which shall be filed with the city clerk and approved by the mayor and council prior to their being effective.

**Code reference**—Boards and commissions, § 2-111 et seq.